

Chapter 11

Vehicle Operations

This chapter includes state and federal regulations that pertain to operating vehicles, including what types of operations are allowed with vehicles purchased with FTA funds, and what regulations cover the drivers.

Titles and Licenses for Transit Vehicles

All vehicles purchased with funds administered by OPT must be titled and licensed to the designated public transit system. Obtaining titles and license plates is the responsibility of the individual transit system, although your assigned TPA will assist in the process. Application procedures for public and private non-profit systems differ.

Titles	Iowa law provides free titles through the state for all government-owned vehicles. Vehicles owned by private non-profit transit systems must be titled through the local county (for a \$5 fee.)
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License Plates	Iowa law provides free titles through the state for all government-owned vehicles. Vehicles owned by private non-profit transit systems must be titled through the local county (for a \$5 fee.)
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Transit systems organized as public agencies should submit originals of the following items to their TPA in OPT:

1. [Property Inventory Form](http://www.iatransit.com/admin/handbook_forms/020130.pdf) -
http://www.iatransit.com/admin/handbook_forms/020130.pdf
2. [Application for State of Iowa Transit Bus Plates](http://www.iatransit.com/admin/handbook_forms/020025.doc) -
http://www.iatransit.com/admin/handbook_forms/020025.doc
3. [Applications for Certificate of Title and/or Registration for a Vehicle](http://www.iadotforms.dot.state.ia.us/iowadotforms/GetTemplate.aspx?did=364) -
<http://www.iadotforms.dot.state.ia.us/iowadotforms/GetTemplate.aspx?did=364>
4. [Odometer Disclosure Statement](http://www.iadotforms.dot.state.ia.us/iowadotforms/GetTemplate.aspx?did=240) (if the vehicle has a gross vehicle weight rating of less than 16,000 pounds and is less than 10 years old) -
<http://www.iadotforms.dot.state.ia.us/iowadotforms/GetTemplate.aspx?did=240>
5. [Damage Disclosure Statement](http://www.iadotforms.dot.state.ia.us/iowadotforms/GetTemplate.aspx?did=361) -
<http://www.iadotforms.dot.state.ia.us/iowadotforms/GetTemplate.aspx?did=361>
6. Manufacturer's statement of origin (new vehicle) or certificate of title from previous owner authorizing transfer (used vehicle), and post [Delivery Audit Certification](#) must be completed before the title is transferred to the transit system.

Transit systems organized as private non-profit corporations should submit originals of the following items to their county treasurer:

1. [Applications for Certificate of Title and/or Registration for a Vehicle](http://www.iadotforms.dot.state.ia.us/iowadotforms/GetTemplate.aspx?did=364) - <http://www.iadotforms.dot.state.ia.us/iowadotforms/GetTemplate.aspx?did=364>
2. Manufacturers' Statement of Origin (new vehicle) or Certificate of Title from previous owner authorizing transfer (used vehicle)
3. [Odometer Disclosure Statement](http://www.iadotforms.dot.state.ia.us/iowadotforms/GetTemplate.aspx?did=240) (if the vehicle has a gross vehicle weight rating of less than 16,000 pounds and is less than 10 years old) – <http://www.iadotforms.dot.state.ia.us/iowadotforms/GetTemplate.aspx?did=240>)
4. [Damage Disclosure Statement](http://www.iadotforms.dot.state.ia.us/iowadotforms/GetTemplate.aspx?did=361) – <http://www.iadotforms.dot.state.ia.us/iowadotforms/GetTemplate.aspx?did=361>
5. Current title fee.

Private non-profit transit systems should then submit originals of the following to their assigned TPA in OPT:

1. [Property Inventory Form](http://www.iatransit.com/admin/handbook_forms/020130.pdf) - http://www.iatransit.com/admin/handbook_forms/020130.pdf
2. [Application for State of Iowa Transit Bus Plates](http://www.iatransit.com/admin/handbook_forms/020025.doc) - http://www.iatransit.com/admin/handbook_forms/020025.doc
3. Copy of the vehicle title
4. Post [Delivery Audit Certification](#) must be completed before the title is transferred to the transit system.

NOTE: Prior to placing a vehicle in operation, the transit manager should also notify the insurance carrier to add the vehicle to the system's insurance policy.

Reuse of Transit License Plates – Whenever a transit system transfers or sells a vehicle, the transit system must remove the transit license plates. These license plates should be retained by the transit system and used when the transit system receives another transit vehicle.

Transit plate transfers involve the same paperwork as applying for transit bus plates, with one additional item of information: the plate number from the bus being replaced should be indicated as the plate number on the application for transit bus plates.

Stolen License Plates – If a license plate or a set of license plates is stolen, it should be reported to the police as soon as possible. OPT should also be notified. OPT will contact vehicle registration and a new set of plates will be issued. The transit system must also write a letter to the Motor Vehicle Division identifying the vehicle and detailing the situation.

Driver Licensing

Iowa law requires any paid employee operating a vehicle carrying passengers (whether general public or client) to have the appropriate chauffeur's license or commercial driver license (CDL). OPT policy applies the same requirement to any volunteer driving a transit vehicle. This provision applies to all subcontractors and must be stated in all third party contracts. Employees of other agencies who may be

authorized to drive the vehicle or volunteers who are driving a vehicle funded through OPT are included. Volunteers driving their own cars are not covered by this policy.

The federal Commercial Vehicle Act requires anyone driving a vehicle designed for more than 15 passengers to have a CDL with passenger endorsement. This requirement applies to all vehicles designed to transport 16 or more persons regardless of how the vehicle was funded and applies to volunteer drivers. It applies whether or not the vehicle is occupied or and whether it is in revenue service.

The type of license needed is determined by the size of the vehicle. Any transit bus over 10,000 gross vehicle weight rating (GVWR) is considered designed for 16 or more passengers. This applies to vehicles that have been retrofitted for wheelchair passengers and, therefore, no longer transport 16 passengers. If the vehicle has a seating capacity of 15 or fewer (including driver), the driver needs a Class "D" (chauffeur's) license. Click [here](#) for further detail on licensing requirements. Go to <http://www.dot.state.ia.us/mvd/ods/types.htm> for a list of License Types and Costs.

A short informational summary of the CDL requirements, Commercial Driver License in a Nutshell, can be found on the Iowa DOT website <http://www.dot.state.ia.us/mvd/ods/cdl/cdlnut.pdf> or by contacting the Office of Driver Services.

Basic Requirements of the [Commercial Motor Vehicle Safety Act \(CMVSA\) of 1986](#) - The [Commercial Motor Vehicle Safety Act of 1986](#) was passed to help reduce or prevent truck and bus accidents, fatalities and injuries by requiring drivers to have a single commercial motor vehicle driver's license. The act also disqualifies drivers who operate commercial motor vehicles in an unsafe manner.

- A job applicant for a transit job must provide the transit agency with employer information on all driving jobs held for the past 10 years. A driver requiring a CDL cannot have more than one license. The candidate must certify that they provided truthful information. The transit agency must inform the candidate that the information may be used in the employment decision and that former employer's may be contacted. This requirement also applies to an existing employee who is later assigned driving duties.
- A CDL driver must notify their employer within 30 days of a conviction for any traffic violations (except parking). This is true no matter which type of vehicle was driven or in which state it occurred.
- A CDL driver must also notify the Office of Driver Services within 30 days if convicted in any other jurisdiction of any traffic violation (except parking). This is true no matter which type of vehicle was being driven when the conviction occurred.
- A CDL driver must notify the employer if the license is suspended, revoked, or canceled, or if disqualified from driving.
- No one can drive a commercial motor vehicle without a CDL.
- Violations by either employees or management can result in a civil penalty of up to \$2,500. Knowing and willful violations are subject to a criminal penalty of up to \$5,000.

Procedures for Checking DL Records

Each of Iowa's public transit agencies may establish an account for accessing Iowa driver records on-line. The operation is handled by a private business called "Iowa Interactive". Use of this service for official business is free to all of Iowa's designated transit systems, and to other government users. (Other pay \$8.50 per record check.) you do have to contact Iowa Interactive to establish your free account. This takes about two days, so you will want to set up your account in advance of the next time you want to check a record. Each designated transit system can establish multiple user IDs and passwords under its account, for each employee who is authorized to access the service and also, if you wish, for subcontractors who you may be requiring to check their employee's driver records. Contact Iowa Interactive at 515-323-3468. Once your agency's account is established, you'll get a user manual which describes all the capabilities of the system and the procedures involved. The manual is written for all users and therefore discusses fees and invoicing procedures. As a transit system, just skip over these parts, since billing details do not apply to designated transit systems. Please note: Even though the transit system is not charged, a log of record checks made by each transit systems is kept; and can be monitored by the transit system to see who is using the system and what records are being checked. For private companies this is important because each check is costing the company money. For transit systems, it's more a matter of verifying that all checks are for "official purposes." This will also allow systems to verify that their contractors are conducting driver checks as required by contract, etc.

Commercial Driver's License (CDL) - Anyone driving a passenger commercial motor vehicle that meets the requirements of a CDL must have a passenger endorsement, including mechanics required to road test a vehicle. This requires passing knowledge and skills tests. A transit driver who operates vehicles with air brakes must pass the air brake knowledge and skills tests to add the endorsement on their CDL.

An examiner will administer skills (drive) tests at several locations by appointment on specified days. An appointment may be made by contacting any driver's license station after completing and passing the necessary CDL knowledge tests. The pre-trip portion of the skills test must be passed before going on to the driving portion of the test. To find out the current locations that offer appointments for the skills test call the Office of Driver Services at (515)237-3153 or visit the Iowa DOT web site <http://www.dot.state.ia.us/mvd/ods/dlsites.htm>

The Iowa CDL skills test includes a pre-trip inspection, road test and the following skills:

- forward stop;
- measured right turn;
- straight line back; and
- alley dock - back left from 90 degrees.

CDL study manuals are available upon request from Iowa DOT driver license stations and on the Iowa DOT web site at <http://www.dot.state.ia.us/mvd/ods/cdl.htm>

Chauffeur's License – Iowa law requires drivers of vehicles designed to transport 15 or fewer persons (including the driver) to hold a chauffeur's license when the operation is for hire or the driver is compensated in any way. If the vehicle is

redesigned or modified to transport 15 or fewer disabled passengers and the GVWR is 10,001 or more pounds, a CDL is required instead of a chauffeur's license.

The holder of a CDL may operate vehicles which requiring a chauffeur's license; however, a chauffeur's license is NOT valid as a commercial driver's license.

Chauffeur's licenses are not required for operation which is "occasional and incidental". This provision is applicable for someone who, in an emergency driving situation, must transport passengers. Anyone hired who might be required to transport clients as part of his/her job must have a chauffeur's license or CDL

Inspection and Maintenance

In applying for and accepting state or federal assistance for capital equipment, a transit system makes a commitment to use that equipment in its public transit program. The equipment must be used through the end of its useful life and be maintained in proper operating condition, including proper repair. This applies whether the capital funding is administered through OPT or directly from FTA. OPT has adopted usage standards consistent with federal utilization policies for equipment purchased with funds OPT administers.

Maintenance Plan – Each transit system is required to have a documented maintenance plan on file. The plan should address the goals and objectives of the maintenance program (useful life, percent of miss-outs, etc.). It should also include a description of the strategies and actions that will be done to accomplish the objectives. Preventive maintenance schedules that meet or exceed manufacturer's requirement for warranty purposes should be included for each type of equipment. The plan should be updated as the equipment mix changes.

Preventive Maintenance – Proper maintenance may help extend the life of a vehicle past the threshold useful life requirements. The actual life of a vehicle and its dependability is based upon how well it is maintained. Dependability of service is the key to marketing public transit.

The [*Iowa Administrative Code*](#) requires each transit provider to have an appropriate maintenance program on file with OPT. Because of the various circumstances and conditions of each transit system, each manager should have a workable maintenance schedule appropriate for his/her own system. At a minimum, the plan should include all maintenance required to keep warranties in effect. The following inspections and reports are suggested guidelines to help the manager have a complete maintenance program.

- [**Model Transit Bus Preventive Maintenance Schedule**](#) – Using the suggested preventive maintenance schedule helps staff know when maintenance tasks are due. A maintenance record-keeping system will help you perform scheduled work on a timely basis.
- [**Regional Transit Vehicle Daily Inspection Report**](#) – Vehicles should be inspected every day before they are taken out on the road. This pre-trip inspection includes exterior, interior and under-the-hood checkpoints.
- [**Transit Monthly Preventive Maintenance Inspection Worksheet**](#) – The mechanic schedules and performs a monthly preventative maintenance inspection. This process includes a review of pre-trip inspection reports and

- other maintenance records to identify problems reported by the drivers and review the maintenance schedule.
- **Suggested School/Regional Transit Vehicle Chassis Inspection**– For each of the vehicles in the fleet, schedule a safety inspection every six months. Some of the items in the safety inspection checklist are included in other inspections, but this procedure will emphasize everything that affects safe operation. Preventive maintenance will help keep your buses on the road. An organized program of inspections, scheduled service and immediate adjustments or repairs will add months and years of useful service life to your equipment and keep mechanical failures to a minimum. PLEASE NOTE: Accident repair, such as replacement of windshields, windows, fenders, etc., is routine maintenance and should be taken care of promptly.

Warranty Claims – All vehicles and most other equipment is typically purchased with standard warranties. A transit system is expected to meet any required routine maintenance services to keep a warranty in effect. Systems should also ensure that warranty claims are properly filed so that the system receives the benefit of the warranty.

Change in Vehicle Operational Status – The transit manager must notify OPT when a vehicle purchased with funds administered through OPT will be "out-of-service" due to accident damage, maintenance or other reason for longer than two weeks.

Fuel Taxes

There are federal and state regulations that apply to the purchase of fuel and environmental issues related to the use and storage of fuel. This section covers fuel tax, purchase of fuel from Iowa DOT, underground storage tanks, and diesel emission standards.

State Fuel Taxes – [Chapter 452A of the Iowa Code](#) details the Iowa fuel tax requirements. Public transit systems are exempt from paying Iowa tax on fuel used for general public transportation. When the fuel is pumped into the vehicle at a service station, the taxes (state and federal) must be paid and a refund requested later. When fuel is pumped into bulk tanks owned by the system, a tax is not imposed if the fuel is used for public transportation. Any fuel used from this tank for non-public transportation use must be reported on the quarterly fuel tax report and the tax due must be submitted to the Iowa DOT, Office of Motor Carrier Services, Park Fair Mall, 100 Euclide Avenue, P.O.Box 10382, Des Moines, IA 50306-0382.

The law granting transit systems an exemption from tax on fuel used for public transportation requires quarterly reporting of fuel used, even if no tax or refund is due. Fuel used for "incidental" or charter service is taxable and must be reported on the quarterly fuel tax report. Penalties for false reporting range up to a \$2,000 fine and two years in prison on top of the penalties for nonpayment of taxes due. The quarterly fuel tax report is discussed in [Chapter 6 - Reporting Requirements](#).

Quarterly fuel tax reports are due by the last day of the month following the end of the reporting quarter. The tax code allows a 7.5 percent penalty to be added to fuel taxes if not paid by the due date. The transit system must also pay interest on the additional tax at the rate in effect under [Section 421.7 of the Code of Iowa](#). Refer to

your [Quarterly Fuel Tax Form and Instructions](#) to compute the additional tax and interest due.

The following fuels are subject to the Iowa Motor Fuel Tax:

1. Gasoline
2. Gasohol
3. Diesel
4. Compressed natural gas (CNG)
5. Liquidified petroleum gas (LPG)
6. Propane
7. 100 % ethanol
8. 100% methanol

Iowa Administrative Rules, [Title 701](#) (Department of Revenue), [Chapter 64](#) defines the exemptions and procedures for fuel tax refunds.

<http://www.legis.state.ia.us/Rules/2002/iac/701iac/70164/70164.pdf>.

Federal Fuel Taxes - Iowa transit systems operated by units of state or local government are exempt from federal fuel taxes. This applies to both gasoline and diesel fuel, but the process for the exemption varies.

Gasoline is purchased, including a governmental unit purchasing the fuel in bulk, with the fuel taxes added at time of purchase. An agency must file for a refund on the number of gallons used.

Governmental entities purchasing diesel fuel in bulk may purchase the fuel tax-free. Governmental entities purchasing diesel fuel in bulk, but not for their exclusive use, or purchasing diesel fuel at the pump must pay the federal fuel taxes at the time of purchase and then file for a refund.

Public transit systems operated by private non-profit corporations may also be eligible for exemptions from federal fuel taxes on any vehicles that are:

1. operated for compensation,
2. operated open to the general public, and
3. either
 - a. operated in fixed-route service (any size vehicle), or
 - b. operated in demand-responsive mode (vehicles must have capacity for 20 or more passengers.)

The Internal Revenue Service (IRS) discusses fuel tax exemptions for buses and other exempt uses in Publication 378. Please contact the IRS to obtain a copy of this publication. It can be accessed via the IRS website at <http://www.irs.gov> or by calling the IRS at 1-800-829-3676. For answers to tax questions, call 1-800-829-1040.

Gasohol Usage Required – Since 1991, vehicles purchased or used by any city or county in Iowa must use gasoline blended with ethanol. Each of the vehicles required to use ethanol-blended gasoline must display a "brightly visible sticker that notifies the traveling public that the motor vehicle is being operated on gasoline blended with

ethanol. All "gasoline" transit vehicles, whether revenue vehicles, maintenance vehicles, or supervisory/staff vehicles, owned by a city or a 28E organization created by cities and/or counties are affected by this law, even if the vehicles are operated by a subcontractor who is not a public entity. Vehicles owned by private non-profit transit systems are covered as well, if they are operated by a subcontractor who is a public entity. Diesel vehicles are not affected.

Arrangements for the purchase of ethanol-blended gasoline is a local responsibility. The required bumper stickers may be obtained from a variety of vendors. One source of the stickers is [Iowa Prison Industries](#), which offers stickers specifically designed to meet the law's requirement for public agencies (including all public transit systems). The stickers can be ordered by calling Prison Industries' toll-free number at 1-800-332-7922.

Regulations on Fuel Tanks – The Iowa Department of Natural Resources issued regulations on fuel storage tanks that conform with federal regulations. These rules can be found in the Iowa Administrative Code, 567, Chapter 135.

Bus Emission Standards – [The Clean Air Act](#) includes new diesel bus emission standards that apply to heavy duty urban transit buses. Transit systems purchasing heavy-duty urban buses should know the current regulations and state in bus specifications that vehicles meet the current emission standards. The [Code of Federal Regulations Title 40 Part 86](#) sets forth bus emission standards.
http://www.access.gpo.gov/nara/cfr/waisidx_01/40cfr86_01.html

Persons with Disabilities Parking Permits – The State of Iowa has a program requiring reserved parking spaces for persons with disabilities. Transit systems carrying passengers with disabilities are eligible to use these spaces. Transit systems may receive one parking permit for each vehicle used to transport persons with disabilities. The permit will allow the vehicle to use restricted parking spaces when loading and unloading passengers with disabilities. Click here for an [Application for Persons with Disabilities Parking Permit](#). The application can also be found on the Iowa DOT web site at <http://www.iadotforms.dot.state.ia.us/iowadotforms/GetTemplate.aspx?did=232>.

The application form should be taken to the local driver license examiner station or mailed to:

Office of Vehicle Services
6310 SE Convenience Blvd.
PO Box 9278
Ankeny, IA 50021
Telephone: 515-237-3110

Insurance

Iowa public transit systems, as motor carriers serving primarily "elderly, disabled, and other transportation disadvantaged persons", are exempted from in-state liability insurance requirements found in [Chapter 325 of the Iowa Code](#). Public transit systems must meet the requirements found in the Iowa Administrative Code chapter on Coordination of Public Transit Services. Subsection 910.5(1) states: "All vehicles used for the public transit services it provides or contracts for (must be) insured for \$1 million per accident for all hazards or the provider (must maintain) a self-insurance fund adequate to provide equivalent protection."

Any public transit system whose service crosses state boundaries is covered under federal insurance requirements. Special provisions included in the Interstate Commerce Commission Termination Act of 1995 require public transit systems to meet the highest state public transit insurance requirement of the states they operate in. Iowa transit systems operating across state boundaries are encouraged to contact each state in which they operate.

There is no requirement to carry any specified level of coverage for collision or comprehensive losses; however, transit systems should recognize that they are required to maintain equipment in functional and presentable condition. Vehicle damage must be repaired. Each transit system must decide whether to insure or self-insure against such losses or whether to cover the repair costs from the operation's budget.

Transit systems that purchase services from subproviders are responsible for assuring that the required level of protection is provided for all services operated as part of the public transit program. Some systems choose to do this by passing along the insurance requirements via the purchase of service contract (also specifying that the transit system be named as an 'additional insured' on the subprovider's policy.) Others choose to provide the vehicle coverage in a single policy covering all subproviders' fleets. This is done through a policy with 'hired and non-owned vehicle coverage.'

Incidental Use of Transit Vehicles

Federal law allows vehicles bought with FTA assistance to be used for incidental purposes, such as charter service, restricted client services, meal delivery services, etc, under the following conditions:

- the fully allocated cost of the incidental usages is paid from funds other than public transit funds,
- the total incidental usage of any vehicle does not exceed 20 percent of total vehicle usage, and
- the incidental usage does not interfere with the use of the equipment for public transit service.

Systems may not justify additional vehicles based on incidental services. The use of any vehicle for incidental purposes does not count toward attainment of the minimum useful life that FTA requires for each vehicle.

Note: There are specific rules on what qualifies as an eligible charter service and what procedures must be followed for charter service, even though it is considered an allowable incidental use. Further discussion of FTA's charter regulations is found in Chapter 15.

Staff Car Prohibition

Capital funds administered by OPT may not be used for the purchase of vehicles for staff transportation. Vehicles which have exceeded FTA's minimum useful life standards or vehicles purchased with other funds may be used for this purpose. Vehicles purchased as staff cars may use official transit plates.

Student Transportation

FTA funded vehicles may not be used for exclusive school services. FTA allows

transportation of students in open-to-the-public service. Fixed-route systems can add extra vehicles to portions of their routes to handle heavy student loads. These 'school trippers' must be reflected in published system schedules and may not deviate from the established route. The buses may not pull onto school property to discharge or pickup riders unless all vehicles on the route throughout the day do so.

Students may also be served as part of a demand-responsive general public service. Qualified students with disabilities can be served as part of ADA paratransit service. As long as the students pay their own fares, they are treated the same as any other rider.

Iowa law allows regional transit systems to contract with schools, day care centers, and other institutions for non-exclusive subscription transportation of students. Specific standards are established for vehicles to be used for such services, as well as for drivers, and for operating practices.

Regional transit vehicles used for non-exclusive student transportation contracts must meet specific federal motor vehicle safety standards, over and above those established for commercial buses, and must be inspected each semester by the Iowa Department of Education. The drivers driving vehicles used in student transportation must meet specific standards, including passing criminal records reviews, and must receive school bus driver training or equivalent. Students must be picked up or dropped off on the same side of the street as their ultimate origin or destination. Students may not be released except to parents, guardians, school personnel, or social service or law enforcement personnel.

The full scope of the requirements for contracted student transportation by public transit systems can be found in the [Iowa Administrative Code 761 IAC 911](http://www.legis.state.ia.us/Rules/2002/iac/761iac/761912/761911.pdf).
<http://www.legis.state.ia.us/Rules/2002/iac/761iac/761912/761911.pdf>

Seat Belt Usage

Seat belt use is required by Iowa law for drivers and front seat passengers in transit vehicles other than buses. Bus drivers are also required to wear seatbelts. No passengers on a bus are required by law to wear seatbelts, except that regional transit systems transporting students aboard vehicles without school bus type compartmentalized seating must require students to wear seatbelts. Transit systems may require all passengers to wear seat belts. Persons with disabilities may only be required to use personal restraints if all other passengers are required to wear seat belts. <http://www.legis.state.ia.us/IACODE/2001SUPPLEMENT/321/445.html>

Child Restraint Usage

Under Iowa law, passengers aboard buses are exempt from the general law requiring use of child safety seats. Students transported under contract aboard regional transit vehicles not equipped with school bus style compartmentalized seating must be in child restraints if they meet the criteria in the law. Head Start students meeting the age and weight criteria of the law are always required to be transported in child safety seats, whether or not school bus style seating is used. Transit systems may provide child safety seats for use by other passengers meeting the criteria of the law. <http://www.legis.state.ia.us/IACODE/2001SUPPLEMENT/321/446.html>